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*The* **FOURTEENTH ANNUAL REPORT**


TO THE *Shareholders*

**BIG  
NAMA CREEK  
MINES LIMITED**



**FOR THE YEAR  
ENDED DECEMBER 31**

**1967**



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**AUTHORIZED  
CAPITALIZATION**

\$5,000,000.00 divided into 5,000,000 shares of the par value of \$1.00 each.

**DIRECTORS**

M. J. BOYLEN, D.C.L., D.Sc. - - - Toronto 18, Ontario.  
PHILIP E. BOYLEN - - - Willowdale, Ontario.  
GORDON L. MOORE - - - Islington, Ontario.  
DAVID W. GORDON, F.C.I.S. - - - Toronto, Ontario.  
CHARLES B. BRANNIGAN - - - Toronto 16, Ontario.

**OFFICERS**

M. J. BOYLEN, D.C.L., D.Sc. - - - - - *President*  
DAVID W. GORDON, F.C.I.S. - - - - - *Vice-President*  
GORDON L. MOORE - - - - - *Secretary Treasurer*  
CHARLES B. BRANNIGAN - - - - - *Assistant Treasurer*

**HEAD OFFICE**

908-330 Bay Street - - - - - Toronto, Ontario.

**TRANSFER AGENT  
AND REGISTRAR**

GUARANTY TRUST COMPANY OF CANADA  
366 Bay Street, Toronto, Ontario.

**AUDITORS**

SNYDER, CRAIG & CO.  
Chartered Accountants  
330 Bay Street, Toronto, Ontario.

**BIG NAMA CREEK MINES LIMITED**

# *Directors' Report*

To the Shareholders:

The Fourteenth Annual Report of the Company, including a copy of its financial statements for the year ended December 31st, 1967, and the Report of the Auditors, is presented for your consideration.

## **CARB LAKE PROPERTY**

In April, 1967, Big Nama Creek Mines Limited and Larandona Mines Limited entered into an agreement whereby they are sharing equally the staking and exploration costs on 73 mining claims in the Carb Lake Area, Red Lake Mining Division of Ontario.

The presence of this carbonatite intrusive was disclosed on the Federal-Provincial airborne magnetometer survey maps released at that time. These carbonatite "plugs", as they are commonly called, are geological oddities that are known to carry economic deposits of copper, iron phosphate, vermiculite and rare earths. Uranium and thorium minerals are also often associated.

Work done to date on this particular occurrence at Carb Lake consists of magnetic and radio-metric airborne surveys and a variety of ground geophysics as the carbonatite is completely covered by as much as 50 feet of overburden. Four diamond drill holes totalling 1,849 feet were bored during February and March of 1968 in a partial cross-section of the mile and a half-wide body.

The work has indicated that this carbonatite body contains large amounts of titaniferous iron and minor copper. Rare earth carbonate minerals are present in varying amounts up to two percent of lanthanum and cerium with niobium (columbium) and yttrium also reporting present. Arrangements are now under way to have the drill cores analyzed quantitatively for these obscure metals that are coming into increasing importance with space-age programmes. It is also hoped to obtain some technical assistance from one of the major companies in the rare earth field. The airborne surveys obtained a strong positive reaction for uranium which could be significant in view of the depth of overburden. Considerable vermiculite has also been noted.

## **MANITOUWADGE PROPERTY**

No technical report has been received from Willroy Mines Limited, optionees of the Manitouwadge zinc, copper, silver ore body, as to the work they have carried out during 1967 but we have been advised that, to the year end they had expended a total of \$212,850 in readying the property for production.

## **YORK HARBOUR, NFLD.**

A general softening in the zinc metal market during 1967 negated our plans to reactivate the underground exploration programme on this property. It remains on a caretaker basis for the time being.

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# **BIG NAMA CREEK MINES LIMITED**

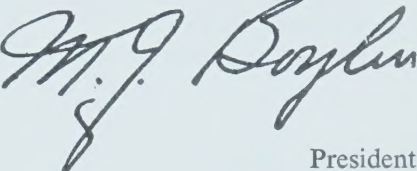
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On the adjoining Broom's Bottom Concession Area no work was performed in 1967 but sufficient expenditures have been made in previous years to keep the Concession in good standing.

**LITHIUM PROPERTY — BEARDMORE, ONTARIO**

There have been no new developments in the lithium markets to warrant re-opening this mine at the present time.

On behalf of the Board of Directors,

  
President.

Toronto, Ontario,  
May 10, 1968.

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BIG NAMA CREEK MINES LIMITED

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# BIG NAMA CREEK

(Incorporated under the laws of the Province of Ontario)

## Balance Sheet —

(With comparative figures for 1966)

### ASSETS

	1967	1966
<b>CURRENT:</b>	\$	\$
Cash .....	607	199
Bank deposit receipt .....	25,000	—
Accounts receivable .....	16,497	9,712
Prepaid expenses .....	1,418	2,631
	<u>43,522</u>	<u>12,542</u>
<b>INVESTMENTS:</b>		
Shares of other mining companies having a quoted market value, at cost (Note 1) (Quoted market value \$49,620 — 1966 \$62,240) .....	78,719	78,719
Shares of another mining company, at nominal value (Note 1) .....	1	9,150
	<u>78,720</u>	<u>87,869</u>
<b>FIXED:</b>		
Mining claims, leases and grants, at cost (Note 2) .....	756,964	754,304
Buildings, equipment and supplies at Beardmore, Ontario, at estimated salvage value .....	—	25,000
Buildings, and equipment at York Harbour, Newfoundland, at cost .....	156,883	156,747
	<u>913,847</u>	<u>936,051</u>
<b>MISCELLANEOUS AND DEFERRED:</b>		
5% Notes receivable from Beauce Placer Mining Co. Ltd. due December 17, 1966 and accrued interest .....	79,164	75,714
Materials and supplies, at York Harbour, Newfoundland, at cost .....	21,842	25,909
Mine development, exploration and administrative expenses .....	639,537	1,252,775
	<u>740,543</u>	<u>1,354,398</u>
	<u><u>1,776,632</u></u>	<u><u>2,390,860</u></u>

Submitted with our Report to the Shareholders

# MINES LIMITED

(In accordance with the  
Laws of Ontario)

December 31, 1967

(Figures for 1966)

## LIABILITIES

	1967 \$	1966 \$
CURRENT:		
Bank overdraft .....	—	399
Accounts payable and accrued liabilities .....	15,237	47,272
	<u>15,237</u>	<u>47,671</u>
LONG TERM:		
6½ % Convertible debentures due July 15, 1971 (Note 6) .....	350,000	250,000

## SHAREHOLDERS' EQUITY

CAPITAL STOCK:		
Authorized:		
5,000,000 Shares of \$1 par value .....	<u>\$5,000,000</u>	
Issued:		
1,889,252 Shares .....	1,889,252	1,889,252
Less: Discount thereon .....	997,972	997,972
	<u>891,280</u>	<u>891,280</u>
CONTRIBUTED SURPLUS:		
Balance unchanged from previous year .....	<u>1,822,904</u>	<u>1,822,904</u>
DEFICIT:		
Balance, beginning of year .....	620,995	329,203
Add: Mine development expenses incurred on the Beardmore property . . .	669,646	—
Loss on disposal of fixed assets and supplies at the above property .	2,999	291,792
Investment valuation adjustment .....	9,149	—
	<u>1,302,789</u>	<u>620,995</u>
Balance, end of year .....	<u>1,411,395</u>	<u>2,093,189</u>

THE NOTES ATTACHED FORM AN INTEGRAL PART OF THESE  
FINANCIAL STATEMENTS

Approved on behalf of the Board:

M. J. BOYLEN, Director.

G. L. MOORE, Director.

1,776,632 2,390,860

Shareholders dated April 11, 1968.

SNYDER, CRAIG & CO.,

Chartered Accountants.

CHARTERED ACCOUNTANTS

330 BAY STREET

TORONTO  
CANADA

To the Shareholders of

BIG NAMA CREEK MINES LIMITED,

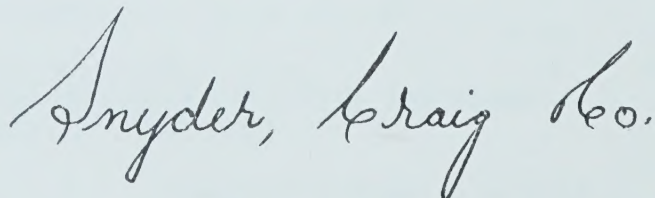
Toronto, Ontario.

We have examined the Balance Sheet of Big Nama Creek Mines Limited as at December 31, 1967, the Statements of Mine Development Expenses and Source and Application of Funds for the year ended on that date, and the Notes to the Financial Statements. Our examination included a general review of accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

No provision has been made for the excess of cost over the market value of the Company's investments in shares of other mining companies.

We are unable to determine when the overdue notes receivable of Beauce Placer Mining Co. Ltd. and accrued interest will be paid and consequently are unable to express an opinion on the value of this asset.

Subject to the above limitations, in our opinion the attached Balance Sheet, Statements of Mine Development and Source and Application of Funds and the Notes to the Financial Statements present fairly the financial position of the Company as at December 31, 1967 and the results of its operations and the source and application of its funds for the year ended on that date. The Financial Statements have been prepared in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year except for the changes, which we approve, whereby the investment in escrowed shares of another mining company has been written down to nominal value and development expenses on the mining property near Beardmore, Ontario have been written off.



Chartered Accountants.

April 11, 1968.

BIG NAMA CREEK MINES LIMITED

# *Statement of Mine Development Expenses*

For the year ended December 31st, 1967

(With comparative figures for 1966)

	1967 \$	1966 \$
Balance, beginning of year .....	1,252,775	1,008,393
<b>MINE DEVELOPMENT EXPENSES:</b>		
Adit driving .....	3,262	140,223
Assays .....	348	—
Clearing land .....	—	1,761
Consulting fees .....	860	—
Diamond drilling .....	415	20,019
Geophysical surveys .....	2,868	—
Land surveys .....	—	497
Roads .....	—	729
Surface exploration .....	1,891	—
	<u>9,644</u>	<u>163,229</u>
<b>MINE GENERAL EXPENSES:</b>		
Schedule I .....	16,614	62,492
<b>ADMINISTRATIVE AND FINANCIAL EXPENSES:</b>		
Schedule II .....	30,150	18,661
	<u>1,309,183</u>	<u>1,252,775</u>
Less: Mine development expenses incurred on the Beardmore property transferred to Deficit .....	669,646	—
Balance, end of year .....	<u>639,537</u>	<u>1,252,775</u>

# *Statement of Source and Application of Funds*

For the year ended December 31st, 1967

(With comparative figures for 1966)

	1967 \$	1966 \$
<b>SOURCE OF FUNDS:</b>		
Issue of capital stock .....	—	45,000
Issue of 6½ % convertible debentures .....	100,000	250,000
Sale of fixed assets .....	22,001	—
	<u>122,001</u>	<u>295,000</u>
<b>APPLICATION OF FUNDS:</b>		
Acquisition of mining claims .....	2,660	—
Increase in materials and supplies .....	(4,067)	5,492
Mine development expenses .....	59,858	247,832
Purchase of fixed assets .....	136	59,346
Purchase of investments .....	—	3,000
	<u>58,587</u>	<u>315,670</u>
Resulting in an increase (decrease) in working capital .....	63,414	(20,670)
Working capital, beginning of year .....	(35,129)	(14,459)
Working capital, end of year .....	<u>28,285</u>	<u>(35,129)</u>

**BIG NAMA CREEK MINES LIMITED**

# *Statement of Mine General, Administrative and Financial Expenses*

**For the year ended December 31st, 1967**

*(With comparative figures for 1966)*

## SCHEDULE I

### MINE GENERAL EXPENSES:

	1967 \$	1966 \$
Cookery .....	94	8,493
First aid .....	—	278
Insurance .....	4,227	4,834
Maintenance and rental of buildings .....	(174)	2,626
Maps and blueprints .....	1,388	481
Mine office and warehouse .....	760	14,385
Mining licenses and acreage taxes .....	449	227
Plant shutdown .....	14,883	3,202
Superintendence .....	185	21,806
Trailer maintenance .....	—	757
Travelling .....	—	3,079
Watchmen and fire protection .....	775	1,468
Yard clearing and snow removal .....	61	856
	<hr/> 22,648	<hr/> 62,492
Less: Equipment rentals .....	6,034	—
	<hr/> <u>16,614</u>	<hr/> <u>62,492</u>

## SCHEDULE II

### ADMINISTRATIVE AND FINANCIAL EXPENSES:

Corporation taxes .....	44	85
Directors fees .....	1,500	500
General expense .....	47	111
Head office administration .....	6,000	6,000
Interest on debentures .....	20,425	6,170
Interest — other .....	940	1,638
Legal and audit .....	1,600	2,418
Listing and filing fees .....	183	335
Office stationery and supplies .....	189	762
Postage, telephone and telegraph .....	313	819
Reports to shareholders .....	1,872	699
Transfer agent and registrar fees .....	1,433	570
Travel .....	717	2,416
	<hr/> 35,263	<hr/> 22,523
Less: Interest earned .....	5,113	3,862
	<hr/> <u>30,150</u>	<hr/> <u>18,661</u>

**BIG NAMA CREEK MINES LIMITED**

# Notes to Financial Statements

December 31, 1967

## INVESTMENTS:

1. Shares of other mining companies having a quoted market value at cost (No change during the year)		
		\$
30,000 shares Atlantic Coast Copper Corp. Ltd. ....	36,769	
(market value 1967 \$19,800 — 1966 \$27,000)		
91,500 shares Beauce Placer Mining Co. Ltd. ....	9,150	
(market value 1967 \$6,405 — 1966 \$3,660)		
1,700 shares Brunswick Mining and Smelting Corp. Ltd. ....	6,550	
(market value 1967 \$8,415 — 1966 \$15,980)		
12,000 shares Northern Canada Mines Ltd. ....	26,250	
(market value 1967 \$15,000 — 1966 \$15,600)		
	<u>78,719</u>	
Shares of another mining company, at nominal value (1966 at cost of \$9,150)		
91,500 escrowed shares of Beauce Placer Mining Co. Ltd. ....		<u>1</u>

## MINING CLAIMS, LEASES AND GRANTS:

	1967	1966
	\$	\$
2. In the Province of Ontario		
Port Arthur Mining Division		
Manitouwadge Lake Area		
13 Patented mining claims, at cost (Note 3) ....	63,736	63,736
Beardmore Area		
36 Mining leases, at cost ....	408,696	408,696
Red Lake Mining Division		
Carb Lake Area		
One-half interest in 73 mining claims, at cost (Note 4) ..	2,660	—
In the Province of Newfoundland		
York Harbour, District of Humber		
1 Fee simple mining grant, at cost (Note 5) ....	281,872	281,872
	<u>756,964</u>	<u>754,304</u>

## WILLROY AGREEMENT:

3. Under an agreement dated July 2, 1963, Big Nama Creek Mines Limited leased its 13 claims in the Manitouwadge Lake Area to Willroy Mines Limited for a term of 20 years and renewable for two additional terms of 10 years each. The agreement provides that Willroy will mine the ore on the property and that Big Nama Creek will receive 50% of the net profits after the recovery by Willroy of certain of its costs of exploration and development.

## EXPLORATION AGREEMENTS:

4. Under an agreement dated as of April 30, 1967, Big Nama Creek Mines Limited and Larandona Mines Limited are sharing equally the staking and exploration costs on 73 mining claims in the Carb Lake Area, Red Lake Mining Division of Ontario.
5. Under an agreement dated April 1, 1966, the Government of Newfoundland granted Big Nama Creek Mines Limited the right to explore an area of approximately 3.5 square miles adjoining its fee simple mining grant at York Harbour, Newfoundland. The agreement is for a term of five years and sufficient work has been performed to date to keep the agreement in good standing for the full term. The Company may apply for and receive a development license or licenses on an area or areas not exceeding in the aggregate, one square mile within the exploration area.

## 6½% CONVERTIBLE DEBENTURES:

6. The debentures are convertible for shares of the Company on the basis of 2 shares for each \$1 principal amount of debenture and are secured by a floating charge on all the assets of the Company.

BIG NAMA CREEK MINES LIMITED

